

Article 3: Police Regulated Occupations and Businesses**Division 27: Ticket Brokers, Merchandise Coupons***(“Ticket Brokers, Merchandise Coupons”**added 4-3-1952 by O-5146 N.S.)**(Amended 4-21-1953 by O-5560 N.S.)***§33.2710 Merchandise Coupons — Police Regulated**

- (a) Purpose and Intent. It is the purpose and intent of the Council that the business of selling, trading, or otherwise dealing in merchandise coupons be police regulated for the protection of the public and the business community of The City of San Diego, and that adequate security be provided therefor by way of bonding.
- (b) Police Regulation. The business of issuing merchandise coupons is hereby designated as “POLICE REGULATED.”
(“Merchandise Coupons — Police Regulated” added 5-17-1966 by O-9425 N.S.)

§33.2711 Merchandise Coupons — Defined

For the purposes of this Division, “merchandise coupon” means any coupon, certificate, ticket, book, card or passbook which represents the value of a discounted value of goods, wares, merchandise or services, whether or not consideration is paid by the person who is to redeem the coupon.

“Merchandise coupon” does not include trading stamps, as defined by general law, or any merchandise coupon directly issued by and redeemable at a business establishment having a fixed place of business within the City.
(Amended 2-23-1987 by O-16812 N.S.)

§33.2712 Merchandise Coupons — Permit Required

No person shall sell, offer to sell, solicit the sale of, take orders for, or distribute or deliver, for the payment of a fee or charge which is less than seventy-five percent (75%) of the retail value of like goods, wares, merchandise or service at any establishment where the coupon may be redeemed in The City of San Diego, a merchandise coupon, without first obtaining a police permit.
(Amended 2-23-1987 by O-16812 N.S.)

§33.2713 Merchandise Coupons — Bond Required

Each applicant for the police permit required in Section 33.2712 shall furnish to the Chief of Police a bond in the sum of Five Thousand Dollars (\$5,000.00); the bond must remain in effect for at least ninety (90) days following the last date upon which the coupon may be redeemed; the form of said bond shall be approved by the City Attorney of The City of San Diego; said bond shall be acknowledged by the applicant as principal and by a corporation licensed by the Insurance Commissioner of the State of California to transact the business of a fidelity and surety insurance company in this state, as surety; the condition of said bond shall be that any person injured by any misrepresentation, fraud, breach of contract or failure or refusal to deliver as represented any goods, or render any services, in whole or in part, may recover against the bond any damages suffered thereby, including reasonable attorney's fees. *(Amended 5-17-1966 by O-9425 N.S.)*

§33.2714 Merchandise Coupons — Regulations

Every person who engages in any of the activities for which a police permit is required by Section 33.2712 shall:

- (a) Make no statement or representation or advertise, in the course or scope of such activity, either in writing or orally:
 - (1) That the intended recipient is the winner of any drawing or contest, unless such drawing or contest has been knowingly entered prior thereto by such recipient.
 - (2) That The City of San Diego, or any department thereof, has approved of such activity.
- (b) Announce to the intended recipient his name and the name of the individual or organization whom he represents.
- (c) Not sell any merchandise coupons unless the name, business address and telephone number of the permittee is placed thereon, and has first furnished a copy of such merchandise coupon to the Chief of Police.

(Amended 2-23-1987 by O-16812 N.S.)